Board members present included: President Matt Donegan, and Directors Lynda Ciuffetti, Jill Eiland, Orcilia Forbes, Allyn Ford, Jim Francesconi (10:30 am), Farbodd Ganjifard (9:55 am), Paul Kelly, Brittany Kenison, Jim Middleton, Emily Plec, Kirk Schueler, and David Yaden.

Chancellor’s Office staff included: Interim Chancellor Melody Rose, Cathy Berg, Cathy Dyck, Brian Fox, Ryan Hagemann, Ellen Holland, Jay Kenton, Di Saunders, Cindy Starke, Marcia Stuart, and Charles Triplett.

Campus staff included: Presidents Mary Cullinan (SOU), Bob Davies (EOU), Mike Gottfredson (UO), Chris Maples (OIT), Mark Weiss (WOU), and Wim Wiewel (PSU); Lara Moore (EOU); Brad Burda, Lita Colligan, and Mary Ann Zemke (OIT); Sabah Randhawa, Michael Green, and Jan Lewis (OSU); Craig Morris (SOU).

Others present included: Professor Jeff Dense (IFS); Mario Parker-Milligan and Eric Noll (OSA).

1. **CALL THE MEETING TO ORDER/ROLL CALL/WELCOME**

   President Donegan called the meeting to order at 9:07 a.m.

2. **REPORTS**

   a. **Interim Chancellor’s Report**

   Interim Chancellor Rose provided her report. Highlights included a brief report on the legislative results from the 2014 short session, mentioning two bills - House Bill 4018 and Senate Bill 1525, which allow a third option on institutional boards for the TRUs and changes to governance and refinements to governance that pertain to the membership of the Board of Higher Education. Regarding the capital request, she noted that the top three projects at Oregon Tech, SOU, and University of Oregon were approved and also saw some capital requests approved that relate to OSU and Western for a total capital investment of $29 million. In closing, Chancellor Rose discussed the significant changes to the budget, underscoring the movement of ETIC funding out of the OUS and into OEIB for a temporary one-year agreement while the HECC ramps up and prepares to take on that function. She went on to note that the Chancellor’s Office second half of the biennia allotment was zeroed out with $1 million of that
$4.5 million distributed for special funding to Eastern Oregon University and Southern Oregon University. The distribution of the remaining $3.5 million will be determined in an e-board meeting in May. She stated that, “it’s important for you all to know that the Chancellor’s Office operating budget was zeroed out, and that requires us to look to our fund balance and other mechanisms—perhaps further conversations with the HECC to make sure that the work of this organization is funded properly for the lift that we have ahead of us in ‘14-‘15.”

Director Middleton thanked Vice Chancellor Kenton for his successful efforts to obtain the legislature’s approval for OSU-Cascades’ release from the remaining 17 years of the lease of Cascades Hall with Central Oregon Community College. This will allow COCC the opportunity to retain the full use of Cascades Hall and allow OSU-Cascades to apply those funds to the new campus.

b. Committee Action Reports

i. Finance & Administration Committee

Director Schueler provided highlights from the March 31 Committee meeting. The Committee approved the preliminary funding request for the ’15-‘17 biennium for the TRU campuses. The Committee reviewed timelines, metrics, and benchmarks for SOU’s retrenchment, and discussed conceptually what those should be, and how it should be evaluated. The Committee also discussed the financial projection over AGB’s models for multi-campus and multi-campus universities.

ii. Governance & Policy Committee

Director Kelly provided the report from the February 6 Committee meeting. The meeting included a review of the proposal for the Chancellor’s Office staffing for the next year, July 1 through June 30. The Committee also discussed the presidential evaluation process and concluded that there should be two different approaches—one for the three research university presidents and one for the TRU presidents, noting that the metrics for presidential evaluations need to be updated.

iii. Academic Strategies Committee

Director Middleton provided the report covering the February and April meetings. The Committee approved the undergraduate admission policies for ’15-‘16, the GED table, and reviewed the retrenchment process at Southern. In April’s meeting, the Committee discussed some minor updating with the History and Physics AP and the program in innovation and leadership, which is a new program proposal at Southern. The Committee voted unanimously to approve the program.
iv. HECC Transition Work Group

Director Forbes noted that the last report was at the Board meeting in January and that there had been interim reports to some of the committees as the work progresses. She indicated that Charles Triplett would give the academic affairs report and Jan Lewis would give the finance report. She continued with a brief report on data noting that the institutional research group was in the Chancellor’s Office and that they are trying to work out the possibility of a contract for the team to be helping HECC in the coming year, but keep them under the Chancellor’s Office for that year.

Jan Lewis began her report by explaining how the campuses got their monies in the past, “what had occurred traditionally is the Chancellor’s Office would work with the department of administrative services and establish an annual schedule of payments. The debt service payments were driven by the due date of the debt service. And, on the general fund, it was a monthly schedule, and it was front loaded—where we got more cash the first few months in recognition in the delay of getting tuition payments. So, now that DAS is going to be doing four distributions, starting July 1, versus the one, they were interested in moving to quarterly payments. We were an exception in their process—state agencies normally get four equal payments of their general fund appropriations, so they have agreed to continue the front loading of that, so that is good news in that regard.” She pointed out that there was still work to be done on the debt service payments.

Charles Triplett gave further explanation to the institutional research function sharing that institutional research was not included in the recently released HECC budget. The expectation is that the Chancellor’s Office would maintain a central IR function for next year. The hope is to maintain the whole seven member team and that the HECC would get four-sevenths of the output of this team and the Chancellor’s Office would continue to use three-sevenths to support the TRUs as they transition to whatever future governance model they have going forward.

President Ray mentioned that some may be concerned about Presidents Council and how that will work going forward. He observed, “Our conception is that the Provosts’ Council doesn’t work for HECC, it works for the institutions. And the Provosts’ Council will play an important role providing input to HECC, but also helping the Presidents Council develop and work on agendas.” He also noted that the Presidents Council would be most effective as a council of all seven institutions and possibly OHSU, not just the four TRUs.

v. Shared Services Enterprise

Vice Chancellor Kenton reported that “the first order of business was to create a Shared Service Master Agreement. I believe it will be ready for signature next week. The next agreement is a Transition Agreement that transitions responsibilities from the Chancellor’s Office to the two institutions that agreed to host Shared Services—University of Oregon and Oregon State University—and those agreements are in final review. They transfer responsibilities, employees, equipment, supplies,
contracts, etc.—records, public records that we’ve maintained—to the host institutions so that those campuses can fulfill the responsibilities necessary to deliver the Shared Services.” He explained that fiduciary obligations would be transferred to the University of Oregon, effective July 1, and that Collective Bargaining, Risk Management, and Payroll would be transferred to Oregon State University.

c. **Interinstitutional Faculty Senate (IFS) President**

Chair Donegan called on Interinstitutional Faculty Senate president Jeff Dense. He shared several observations that IFS hoped would guide the Board’s ultimate decision on governance of the TRUs. “IFS respectfully urges you to contemplate how fiscal metrics may adversely affect the stability of a university’s academic programs. Placing the financial threshold bar too high, or the time frame for achieving such a fiscal goal too short, could conceivably result in a fiscally challenged institution deciding to eliminate academic programs in order to maintain an institutional governing board and concurrently reduce educational opportunities for students.” IFS recommended any conditions placed on approval of TRU institutional governing boards be linked to adherence of accreditation standards, as articulated by the Northwest Commission on Colleges and Universities. He continued by expressing that a tripartite governance scheme, consisting of a Presidents Council of all of Oregon’s public universities, working in collaboration alongside the Provosts’ Council and IFS—each with clearly articulated roles and responsibilities, and meeting jointly on an annual basis, would provide significant synergistic opportunities for shared governance.

d. **Oregon Student Association (OSA) Chair**

Chair Donegan called on Eric Noll, chair of the OSA and student at Portland State. He began by thanking the Oregon University System for the collaboration during the past legislative session. “Your expertise on a number of issues, like the Western Undergraduate Exchange program, was invaluable during a time when a few members of the Legislature discredited and questioned the legality of out of state students’ constitutional right to vote here in Oregon during their time as students.” He went on to report on the legislative session and the work the OSA did advocating for several pieces of legislation. He concluded by pointing out the work that OSA is undertaking for 2015: registering students to vote and working with HECC to reimagine the Oregon Opportunity Grant and to develop a feasible pay-it-forward pilot program. He also expressed OSA’s support of a statewide Presidents Council and additional collaboration between universities.

3. **Consent Items**
   a. Approval of Minutes (January 2014)
   b. Advanced Placement and International Baccalaureate Statewide Course Credit Policy
**ACTION:** Chair Donegan called for a motion to approve the consent agenda. Directors Paul Kelly and Lynda Ciuffetti made the motion and second, respectively. Motion carried.

4. **ACTION ITEM**
   
a. Institutional Governance for Oregon’s Technical and Regional Universities

Chair Donegan began by summarizing the discussion that was held on March 31, 2014. He noted four main points that were raised at the meeting: (1) there was a general majority in favor of decentralization, (2) thorough and reasonable plans needed to be developed and executed, (3) regarding Eastern and Southern, the financial status of those two universities presents risks to the students and to the state that need to be addressed, and (4) that the HECC, the Shared Services Enterprise, and Presidents’ Council are all very important pieces.

He identified two concepts that had arisen during the earlier discussions. One was a concept that would continue a small system, allow that small system to operate for some period of time, and then reevaluate with more data. The second concept was to start with the establishment of institutional boards, but also recognized the risks, specifically with regard to Eastern and Southern. Western and Oregon Tech would have their request for institutional boards endorsed without conditions. Eastern and Southern would receive institutional boards with financial and programmatic conditions attached. Those conditions would need to be subsequently negotiated under the terms of 4018.

Following a lengthy discussion, Chair Donegan called for a motion on Oregon Institute of Technology’s request for an institutional board without conditions.

**ACTION:** Directors Jill Eiland and Orcilia Forbes made the motion and second, respectively. On roll call, the following Board members voted for the motion: Matt Donegan, Jill Eiland, Orcilia Forbes, Allyn Ford, Jim Francesconi, Farbodd Ganjifard, Jim Middleton, Emily Plec, Kirk Schueler, and David Yaden. Those voting no: Lynda Ciuffetti, Paul Kelly, Brittany Kennison. Motion carried.

Chair Donegan called for a motion on Western Oregon University’s request for an institutional board without conditions.

**ACTION:** Directors Jill Eiland and Orcilia Forbes made the motion and second, respectively. On roll call, the following Board members voted for the motion: Matt Donegan, Jill Eiland, Orcilia Forbes, Allyn Ford, Jim Francesconi, Farbodd Ganjifard, Jim Middleton, Emily Plec, Kirk Schueler, and David Yaden. Those voting no: Lynda Ciuffetti, Paul Kelly, Brittany Kennison. Motion carried.

Chair Donegan called for a motion on Eastern Oregon University’s request for an institutional board with conditions to be established, negotiated, and finalized over the next forty-five days.
ACTION: Directors Jill Eiland and Orcilia Forbes made the motion and second, respectively. On roll call, the following Board members voted for the motion: Matt Donegan, Jill Eiland, Orcilia Forbes, Allyn Ford, Jim Francesconi, Jim Middleton, Kirk Schueler, and David Yaden. Those voting no: Lynda Ciuffetti, Farbodd Ganjifard, Paul Kelly, Brittany Kennison, and Emily Plec. Motion carried.

Chair Donegan called for a motion on Southern Oregon University’s request for an institutional board, with conditions.

ACTION: Directors Jill Eiland and Orcilia Forbes made the motion and second, respectively. On roll call, the following Board members voted for the motion: Matt Donegan, Jill Eiland, Orcilia Forbes, Allyn Ford, Jim Francesconi, Jim Middleton, Kirk Schueler, and David Yaden. Those voting no: Lynda Ciuffetti, Farbodd Ganjifard, Paul Kelly, Brittany Kennison, and Emily Plec. Motion carried.

5. Adjournment

With no further business proposed, the meeting was adjourned at 12:05 pm.